GOVERNMENT OF INDIA
STATISTICS AND PROGRAMME IMPLEMENTATION
LOK SABHA

UNSTARRED QUESTION NO:1393
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DECREASING VALUE OF INDIAN GDP
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Will the Minister of STATISTICS AND PROGRAMME IMPLEMENTATION be pleased to state:

(a) whether the value of GDP in India is far less in comparison to that of the developed nations like USA, France, China, Japan, Germany, UK, Canada, Brazil etc.;

(b) if so, the reasons therefor;

(c) whether GDP in India forms the total value of production of indigenous resources at less than 50%;

(d) if not, the facts of the matter and the reaction of the Government thereto; and

(e) the steps taken by the Government to improve the GDP?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE), MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION (SHRI G.K.VASAN)

(a) & (b): According to the World Bank`s World Development Indicators database, India is ranked 12th in terms of Gross Domestic Product (GDP) in US Dollars behind USA, Japan, Germany, China, U.K., France, Italy,Canada, Spain, Brazil and Russian Federation in 2006. However, according to the same source, India ranks third after USA and China when the GDP is measured in terms of Purchasing Power Parity (PPP). The GDP of India is less when measured in terms of official exchange rate as compared to that measured in terms of PPP, because official exchange rates do not adequately capture differences in prices for similar commodities.

(c) & (d): Out of the total estimated value of output in the country, GDP accounts for 53.3 per cent. The intermediate consumption accounts for 46.7 per cent.

(e): Some of the measures taken by the government to improve the GDP include raising public investment in agriculture, infrastructure like power and roads, health and education; improving governance and enhancing the efficiency of the delivery system. The details of strategies and measures to improve the GDP are listed in the Approach Paper to Eleventh Five Year Plan which has been placed in the Parliament Library.